GOVERNMENT OF INDIA
COMMERCE AND INDUSTRY
LOK SABHA

UNSTARRED QUESTION NO:2511
ANSWERED ON:04.12.2007
PREFERENTIAL TRADE AGREEMENT
Adhalrao Patil Shri Shivaji;Adsul Shri Anandrao Vithoba;Verma Shri Ravi Prakash

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether the Government has any proposal to start technical negotiations for a Preferential Trade Agreement (PTA) with South Africa and Mercosur comprising Brazil, Argentina, Uruguay and Paraguay;

(b) if so, the details thereof;

(c) whether the Indian Pharmaceutical companies and banks are facing restrictions in South Africa;

(d) if so, the details thereof; and

(e) the steps taken/proposed to be taken to provide significant access to Indian companies in South African and Brazilian Markets?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI JAIRAM RAMESH)

(a) & (b) The first round of negotiation for a Preferential Trade Agreement (PTA) between India and Southern African Customs Union (SACU), comprising South Africa, Botswana, Lesotho, Namibia & Swaziland was held in Pretoria, South Africa on 5-6 October 2007. The negotiation is for a PTA with SACU as a whole and not specifically with South Africa.

Negotiations have been concluded for a Preferential Trade Agreement (PTA) between India and MERCOSUR, comprising Brazil, Argentina, Paraguay and Uruguay. India-MERCOSUR PTA and its Annexes have been signed on 25 January, 2004 and 19 March, 2005 respectively. The agreement will come into effect upon ratification by the legislatures of MERCOSUR countries.

(c) & (d): No. However Indian Pharmaceutical companies have indicated lengthy procedures for registration of their dossiers with local authorities, which are faced by companies from other countries as well.

(e): Since 31 March 2002, the Government is implementing the `Focus Africa` Programme as one of the initiatives for addressing the imperative to expand India`s trade with Africa, including South Africa. Similarly since 1997, the Government has undertaken an integrated programme `Focus: LAC` to strengthen market access in the Latin American region, including Brazil. These programmes aim at sensitizing and assigning the organizations involved in trade promotion efforts to intensify and focus their export promotion activities in the targeted focus regions.